

VZCZCXRO3077  
RR RUEHAG RUEHDF RUEHIK RUEHLZ RUEHROV  
DE RUEHMD #0309/01 0721828  
ZNR UUUUU ZZH  
R 121828Z MAR 08  
FM AMEMBASSY MADRID  
TO RUEHC/SECSTATE WASHDC 4476  
INFO RUCNMEM/EU MEMBER STATES COLLECTIVE  
RHMCSUU/DEPT OF ENERGY WASHINGTON DC  
RUEATRS/DEPT OF TREASURY WASHDC

UNCLAS SECTION 01 OF 02 MADRID 000309

SIPDIS

SENSITIVE  
SIPDIS

STATE PASS CEQ, TREASURY FOR DAS KEN PEEL

E.O. 12958: N/A  
TAGS: [SENV](#) [ENRG](#) [KGHG](#) [SP](#)  
SUBJECT: SPAIN - DEMARCHE DELIVERED ON US-EU CLIMATE CHANGE  
COOPERATION

REF: SECSTATE 24257

1. Summary  
-----

(SBU) EconCouns and ESTOff delivered reftel points to Teresa Ribera, GOS Director General for Climate Change in the Environment Ministry, in a March 11 meeting. DG Ribera does not expect any surprises for the U.S. from the European Council meeting this week. She said the objectives are to reinforce the EU's unilateral emissions reduction commitment and to consider reactions to the European Commission's January 23 emissions reduction proposal. Ribera described the EU's commitment (and implicitly the commitment the EU would want from the U.S.) as challenging and requiring an enormous effort, but not unrealistic. She speculated that the EU would ultimately want the US to reduce emissions below 1990 levels. Ribera also explained the European and Spanish mindset in establishing ambitious emissions reductions goals. She believed that reactions by some European business groups to the Commission's proposals were simply a negotiating position. Ribera, who discussed the Clean Technology Fund with Treasury DAS Peel last month, expressed Spain's "sympathy" with the idea but warned that developed countries had reacted in a negative way.

2. No Surprises Expected from Council Meeting  
-----

(U) Ribera does not expect any surprises for the US to come out of the March 13-14 European Council meeting. She said the objectives of the meeting are to:  
-- Reinforce the EU's unilateral commitment on medium-term emissions reductions  
-- Consider reactions to the European Commission's January 23 emissions reduction proposal

3. EU's View of U.S. Emissions Target  
-----

(SBU) Looking further in the future, Ribera said the EU definitely has not taken a position on the level of commitment it would like to see from the U.S. She did speculate, however, that ultimately the EU will want the U.S. to do more than return to 1990 emissions levels by 2020. While recognizing that the EU's unilateral commitment (and implicitly what the EU would hope to see from the U.S.) will be very challenging and will require an enormous effort, Ribera said she did not believe the goal would be unrealistic. When asked why the EU selected one of the most extreme of the IPCC's 177 scenarios, she emphasized the

importance of setting extremely ambitious targets. Ribera said if we do not establish ambitious goals for 2020, then it will be that much harder to do what needs to be done by 2050.

She also said that due to all of the compromises that will likely be made in the negotiating process, the world might well fall short of whatever goal is set, and failure to fulfill a less than ambitious goal would have very negative consequences. Post believes that this reflected more of a personal opinion, rather than a formal GOS position.

#### 14. Private Sector

(SBU) Ribera said that Europeans, and particularly the Spanish, recognized the importance of providing incentives for the private sector to develop new technologies and industries to help reduce emissions. She said that under the first stage of Kyoto, Spain had agreed to a very ambitious target (NOTE: Which it has not met), which had encouraged Spanish companies to invest early in new technology and alternative energy. Those companies were now benefiting from a more favorable position, relative to their counterparts in other countries. Acknowledging that this was not a universally shared view, Ribera said industry opposition to the European Commission's proposals for emissions reductions was to be expected, and she described much of this opposition as simply a negotiating position.

#### 15. GOS Reaction to Clean Technology Fund

(SBU) Ribera had discussed the Clean Technology Fund (CTF)

MADRID 00000309 002 OF 002

with Treasury DAS Ken Peel on February 12 on the margins of the Spanish renewable energy mission to Washington (septel). She said Spain viewed the initiative sympathetically and agreed on the importance of deploying clean technology to developing countries. However, the GOS' reaction is one of caution. She said many developing nations have reacted negatively to the CTF concept, which she believed was related to concerns over the fund's governance and transparency requirements. She said the concept has been very controversial among a wide range of developing countries. Ribera also shared a concern that making these resources available to developing countries might reduce their sense of urgency in making ambitious commitments to reduce emissions. (NOTE: Post responded that it seemed more likely that the provision of resources would increase their confidence that they could assume and meet ambitious commitments). The GOS is generally interested in participating in the CTF, but would first need to understand how these issues will be resolved.

AGUIRRE